

Governor's Commission on Family Farms

Meeting Minutes

June 11, 2003

The Governor's Commission on Family Farms met on Wednesday, June 11, 2003 at Berry Hill Mansion in Frankfort, Kentucky.

Members Present:

Bill Atkins; Marc Johnson; Luther Mason; Charles Miller; Jim Naïve; Louie Rivers; Ira Linville designee for Commissioner Billy Ray Smith; Susan Goddard designee for Secretary Willie Lile; Dr. Robert Sparks

Members Absent:

John Berry; Jeff Hall; Shiela McCord; James Kirby Hancock; Denise Hoffman; Janet Johnson; David Kash; Faye Korthaus; Sylvia Lovely; Ms Mattie Mack; Dr. Jennifer Marsh; Luther Mason; Kenneth Mattingly; John Medley; Steve Moore; William Brandon Reed; Bonnie Tanner; John-Mark Hack; Susan Harkins; Al Pedigo;

Governor's Office of Agricultural Policy Staff Present:

Edith Fultz; Gene Royalty

Welcome and Opening Remarks:

Bill Atkins - Called the meeting to order, Welcomed Gene Royalty and asked Commission members to introduce themselves in lieu of roll call.

Ms. Atkins - Asked for any needed changes or corrections in the minutes of the April 30th meeting. Marc Johnson noted one needed correction. Ira Linville made a motion to adopt the minutes with the correction. Louie Rivers seconded the motion. The motion passed unanimously. The minutes were approved.

Old Business

Ms. Atkins - Asked the group for comments on the letter we have prepared to be sent to the gubernatorial candidates. She also commented that we have a draft of a letter to be sent to the legislature.

Ms. Atkins - Asked for approval of the minutes of the March 26th meeting. Luther Mason made a motion to approve the minutes. Mr. Rivers seconded the motion. The motion passed unanimously. The minutes were approved.

New Business

Ms. Atkins – Offered comments and voiced concern of low membership attendance at Governor's Commission on Family Farms (GCFF) meetings. She asked for thoughts on this issue. Ira Linville offered a list of attendance and a list of members coming up for renewal in July. He reminded the group that we are supposed to make recommendations of reappointments or new appointments. There was discussion on this issue with members present today volunteering to call absent members to address this. There was also discussion on the process of notification of meetings.

Mr. Royalty – Suggested that we put together a letter to membership to address this issue and told the group that he will take care of this.

Mr. Royalty - Offered comments that the Governor's Office of Agricultural Policy (GOAP) is going through a transition right now and announced that he agreed to try to keep the Agricultural Development Board (ADB) program going until the new Governor is inaugurated. At that time he plans to step aside for new leadership. If the program can still be successful, hopefully the staff left on the ADB will be retained. He told us that it behooves us all to work toward that end. It would be difficult to bring in a complete new staff. He told us that the only reason he considered doing this is because he has a lot of interest in agriculture and this program has been a lot of help to the agriculture community. He also announced that an Oversight Committee of both House and Senate members is now monitoring the ADB. He told us that he believes that the GCFF should have input. He told us that he is putting together a management team in the GOAP and will assign a representative to this board. Hopefully when the new Administration comes in this board and the Kentucky Agriculture Resource Development Authority (KRDA) will help to keep these funds available.

Mr. Royalty – Commented that the reason he came to work with the GOAP was to help put together the Kentucky Agriculture Finance Corporation (KAFC). He explained the program further. Dr. Bob Sparks asked where the funds for the KAFC are going to come from. Mr. Royalty responded that we are making application to the ADB for those funds. Dr. Sparks offered further comments on the survival of farms. Mr. Royalty commented that the County Councils have had discussion about seeking some of their funds to go into a revolving loan program. Mr. Linville offered positive comments on revolving fund programs. He also commented on the Farm Bill and limited resource farmers. Charles Miller commented that the KAFC could mean more to the future of agriculture in this state than anything we have done. He commented further on the makeup of the KAFC Board and their interest in the program. Ms. Atkins asked how much money the KAFC is going to ask for. Mr. Royalty responded that we plan to request about \$20 million. He also explained the loan loss reserve program. There was further group discussion.

Ms. Atkins - told us that the GOAP is going to send letters to the GCFF Board Members asking for their status and requesting response on their interest in the GCFF. She suggested that we think about new people we could approach to fill

positions of those who choose not to continue to serve on this board and we should also consider their geographic locations.

Ms. Atkins – brought up two points for discussion.

- Current programs for family farms
- Needed programs for family farms

She told us that we are sending letters to the county councils and copies to county agents asking what their situation is and what their needs might be. She told us that she has received a response from Clark County. She also told us that we could look at this list to see what items we want to bring up first and what we can do in current programs for family farms. She suggested that we as a commission need to know a little more about the current programs and that we might find out from the county councils, which parts are being utilized and what they feel they need.

Mr. Miller - Offered comments on the cattle programs. He expressed the importance of understanding this industry and the producers. He also talked about the reputation we are building on the quality and health of Kentucky's feeder cattle. He told us that the main thing is that we are getting repeat customers.

Mr. Rivers – Offered comments on the shrimp industry. He told us that we don't have enough shrimp to attract a processing facility at this time and that most of the shrimp is sold pond side to local people.

Mr. Royalty - Commented on the goat industry and told the group that we are working on marketing with a company that is going to pay a premium for Kentucky goats.

Mr. Naïve – Commented that their County Council administrative program is heavy into genetics and livestock facilities. Some of the funds have been used for structures and hay storage facilities.

Ms. Atkins –Told us about a youth program and a gentleman who has a presentation for abandoned land and abandoned forest. She brought up the idea of young people using land that belongs to older people who are no longer farming.

Susan Goddard -Told us that the Workforce Development Cabinet has been working closely with KCTCS to resubmit their application to the Agricultural Development Board. They have been asked to reduce it a little bit and work on more of a pilot program in the Maysville area and surrounding counties, because of their tobacco dependency. She told us they are looking at the displaced farmers, tenant farmers, what businesses are in the area, what skills are needed and what educational opportunities are needed to help the farmers with the transition. She talked further about the educational opportunities offered by the Workforce Development Cabinet and requested feedback from the agricultural community about what they need.

Mr. Miller commented about how one entity doesn't know what the other is doing. Ms. Atkins told us that this Commission should look at ways to get the information and people together. Ms. Goddard commented further about opportunities offered by different agencies.

Mr. Linville – Offered the Kentucky Department of Agriculture (KDA) information brochure that has a one-line description of programs in the KDA and the contact numbers for those programs. He explained that they have moved around some because they have consolidated all of the marketing people into one office. He also told us that they are continuing their emphasis on marketing and expressed the need for pushing harder for using Kentucky products. Ms. Atkins responded that we now have quality products and we need to promote them. Mr. Linville told us about the KDA website which promotes KY products and explains where to find them. There was group discussion. Dr. Bob Sparks asked what percentage of the population is reached through the Internet service. Mr. Linville told us that they get six or seven thousand hits daily on their website. Ms. Atkins expressed the need to change the attitude of the consumer to look for Kentucky products. There was further group discussion.

Dr. Sparks - Brought up the need for affordable and accessible health insurance and recommended working on developing a group health plan for farmers. Mr. Royalty responded telling the group that we need to make the legislature aware of this issue.

Mr. Royalty - Emphasized the importance of deciding on two or three issues to focus on. Ms. Atkins recommended that we send correspondence to the extension areas to find out what is important to their areas. There was group discussion on various issues with health issues becoming a top priority.

Ms. Atkins – Raised the issue of tobacco settlement funds and what to do to help the farmer in relation to what they get. Dr. Sparks commented he feels the county should receive more of these funds. Mr. Royalty responded by explaining that the county councils prioritize the applications by their level of importance. There was group discussion.

Mr. Linville - Raised the question of who is going to help the farmers to manage the money if we have a buyout. Mr. Miller mentioned cooperative extension being able to help with this. There was group discussion.

Ms. Atkins – Questioned the group on what the Commission can do to help with these issues.

Mr. Royalty – Responded that the Commission should choose a few things to focus on. He stated that the Commission might want to address trying to make changes in the matching funds required by the Agricultural Development Board. He explained further that the Kentucky Agricultural Finance Corporation might be able to assist

farmers with their required matching funds. There was further discussion by the group.

Jim Naïve - Stated that the Commission could have a white paper on some of these issues. Mr. Royalty agreed.

Mr. Royalty – Suggested that we send correspondence to the Extension Service to determine what is most important to the farm families. Mr. Miller suggested that we make personal contact with Dean Smith on this. Ms. Atkins told us that she has already spoken to Dean Smith and that we have his support. Ms. Atkins – told us that she plans to send the letter to Dean Smith. The group decided to focus on health care and the 50% match of Agricultural Development Funds. Ms. Atkins stated that we should develop a way to get the information out. There was group discussion on how to get the correspondence out to the respondents and further discussion on the mechanics of the document.

There was discussion by the group on regional development and agri-tourism.

There was discussion by the group on the best way to increase attendance at the Commission meetings. Ms. Goddard suggested interactive meetings. Mr. Mason suggested moving the meetings around the state.

Mr. Miller - Suggested it would be beneficial for the upcoming meeting to have a guest with knowledge of health care issues. Mr. Naïve suggested that we invite Vicki Yates Brown. Mr. Miller suggested maybe someone from the Department of Insurance or Biff Baker from the Legislative Research Commission. He stated this issue should be well defined before it is presented to the legislature.

Ms. Atkins - Suggested that we give thought to what entities are not represented on this Commission.

Next Meeting:

The next meeting date tentatively scheduled for July 16th at 10:00am.

Adjourn:

The meeting adjourned at 12:35pm